

**For Immediate Release
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Kentucky's standard deduction; pension exclusion for 2007 tax year

FRANKFORT, Ky.—Kentucky's standard deduction for individual income tax increases to \$2,050 for the 2007 tax year as authorized by KRS 141.081(2). This change represents an increase from \$1,970 for the 2006 tax year. Taxpayers who do not itemize deductions on their individual income tax return are entitled to claim this increased standard deduction.

Kentucky's individual income tax pension exclusion will remain unchanged at \$41,110 for the 2007 tax year. This exclusion applies to tax returns due April 15, 2008.

The 2005 General Assembly repealed KRS 141.0105, which previously provided for the pension exclusion to be adjusted annually for inflation.

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